

St. Louis City Ordinance 62647

FLOOR SUBSTITUTE

BOARD BILL NO. [92] 27

INTRODUCED BY ALDERMAN MARIT CLARK , NANCY WEBER , ROBERT RUGGERI , MARY ROSS , STEPHEN J. CONWAY , DANIEL M. GRUEN

An ordinance repealing in part and restating in part Ordinance No. 62141 which authorized the Mayor to take all steps reasonably necessary to maintain the enterprise zone designation under the provisions of Sections 135.200 through 135.256, inclusive, R.S.Mo. (1986) (the "Statute") for a certain area of the City of St. Louis (the "City"), said area being further described in attached Exhibit A (the "Initial Area") and to secure such designation for the area of the City described in attached Exhibit B (the "Expansion Area") and the area of the City described in attached Exhibit C (the "Satellite Area") and providing for the exemption from, and abatement of, general ad valorem taxes with respect to certain improvements on real property in the Initial Area, the Expansion Area and the Satellite Area; finding that another area of the City, by reason of pervasive poverty, unemployment and general distress, is unlikely to support reasonable tax assessment or to experience reasonable economic growth without the tax incentives provided in the Statute and containing a description of the boundaries of said area as set forth in attached Exhibit D (the "Additional Expansion Area"); finding that the Additional Expansion Area is in need of enterprise zone designation; authorizing and directing the Mayor of the City to take all steps reasonably necessary to secure such designation for the Additional Expansion Area; providing for the exemption from, and abatement of, general ad valorem taxes with respect to certain improvements on real property in the Initial Area, the Expansion Area, the Satellite Area and the Additional Expansion Area; and containing an emergency clause.

WHEREAS, by Ordinance No. 58880, this St. Louis Board of Aldermen (the "Board") authorized the Mayor, on behalf of the City, to request the designation of the Initial Area as an enterprise zone eligible for the tax incentives provided by the Statute and such area was declared an enterprise zone; and

WHEREAS, by Ordinance No. 62141, this Board authorized the Mayor, on behalf of the City, to take all steps reasonably necessary to maintain the enterprise zone designation for the Initial Area and to secure such designation for the Expansion Area and the Satellite Area and provided for the exemption from, and abatement of, general ad valorem taxes with respect to certain

improvements on real property in the Initial Area, the Expansion Area and the Satellite Area; and

WHEREAS, the Expansion Area and the Satellite Area were declared an enterprise zone; and

WHEREAS, the Initial Area, the Expansion Area and the Satellite Area, by reason of pervasive poverty, unemployment and general distress, remain unlikely to be able to support reasonable tax assessment or to experience reasonable economic growth without the tax incentives provided in the Statute; and

WHEREAS, the Additional Expansion Area, by reason of pervasive poverty, unemployment and general distress, is unlikely to support reasonable tax assessment or to experience reasonable economic growth without the tax incentives provided in the Statute; and

WHEREAS, in accordance with the Statute, this Board duly held a public hearing on a proposal to seek the enterprise zone designation for the Additional Expansion Area; and

WHEREAS, this Board has determined that it is in the public interest that the Initial Area, Expansion Area and Satellite Area maintain their designation as enterprise zones and that the Additional Expansion Area be so designated to encourage investment in said areas through the tax incentives provided in the Statute; and

WHEREAS, this Board has further determined that it is in the public interest that certain improvements made in the Areas be exempt, in whole or in part, from general ad valorem taxes to encourage investment in the Areas.

BE IT ORDAINED BY THE CITY OF ST. LOUIS AS FOLLOWS:

SECTION ONE. It is hereby found that the area of the City of St. Louis (the "City") described in Exhibit A attached hereto and incorporated herein by reference (the "Initial Area"), the area of the City described in Exhibit B attached hereto and incorporated herein by reference (the "Expansion Area") and the area of the City described in Exhibit C attached hereto and incorporated herein by reference (the "Satellite Area"), by reason of pervasive poverty, unemployment and general distress, remain unlikely to be able to support reasonable tax assessment or to experience reasonable economic growth without the tax incentives provided in Sections 135.200 through 135.256 of the Statute.

SECTION TWO. It is hereby found that the area of the City described in Exhibit D attached hereto and incorporated herein by reference (the "Additional Expansion Area"), is, by reason of pervasive poverty, unemployment and general distress, unlikely to be able to support reasonable tax assessment or to experience reasonable economic growth without the tax incentives provided in the Statute.

SECTION THREE. The Mayor, on behalf of the City, is hereby authorized and directed to take steps reasonably necessary to maintain the enterprise zone designation for the Initial Area, the Expansion Area and the Satellite Area, and to secure the enterprise zone designation for the Additional Expansion Area.

SECTION FOUR. The exemption from, and abatement of, general ad valorem taxes on real property in the Areas shall be in accordance with the requirements of Section 135.215 of the Statute, as amended, and as may be further amended from time to time, and with the following terms and conditions:

1) Definitions

(a) "Revenue Producing Enterprise" shall include (1) the assembly, fabrication, manufacture, mining or processing of any agricultural, mineral or manufactured product; (2) the storage, warehousing or wholesale distribution of any product; (3) the performance of clerical skills or general office activities or electronic data processing; (4) the selling of any product; (5) the rendering of any service; (6) the renting or leasing of residential property to low and moderate income persons as defined by the United States Department of Housing and Urban Development or the renting or leasing of tangible personal property to the general public; or (7) the administration or management of any of the foregoing activities.

(b) "Subsequent Improvements" shall include (1) new construction (or improvements to existing structures) in the Initial Area installed on or after August 31, 1983; or (2) new construction (or improvements to existing structures) in the Expansion Area or the Satellite Area fully completed and open for normal business operations by the Revenue Producing Enterprise on or after January 22, 1991; or (3) new construction (or improvements to existing structures) in the Additional Expansion Area fully completed and open for normal business operations by the Revenue Producing Enterprise on or after the date upon which the Additional Expansion Area is designated as an enterprise zone.

(2)

(a) Subsequent Improvements in the Initial Area, the Expansion Area, and the Additional Expansion Area which are owned by a Revenue Producing Enterprise and which are commenced prior to August 28, 1991 shall be subject to only fifty percent (50%) of the general ad valorem taxes otherwise imposed by the City or by the State or any political subdivision for a period of ten (10) years after the designation of the Initial Area as an enterprise zone, which designation occurred on August 31, 1983.

(b) Subsequent Improvements in the Satellite Area which are owned by a Revenue Producing Enterprise and commenced prior to August 28, 1991 shall be subject to only fifty percent (50%) of the general ad valorem taxes otherwise imposed by the City or by the State or any political subdivision for a period of ten (10) years after the designation of the Satellite Area as an enterprise zone, which designation occurred on January 22, 1991.

(c) Subsequent Improvements in the Initial Area, the Satellite Area or the Additional Expansion Area (hereinafter, together referred to as the "Areas") made to properties used for assembling, fabricating, processing, manufacturing, mining, warehousing or distributing properties commenced after August 28, 1991 shall be subject to only fifty percent (50%) of the general ad valorem taxes otherwise imposed by the City or by the State or any political subdivision thereof for a period of not less than ten (10) years following the date such improvements were assessed.

(d)

(i) A longer period, and a higher percentage of abatement may be granted with respect to Subsequent Improvements in the Areas commenced prior to August 28, 1991;

(ii) A longer period of abatement, and, if and to the extent authorized under the Statute, as may be amended, a higher percentage of abatement, may be granted with respect to Subsequent Improvements on properties in the Areas used by Revenue Producing Enterprises for assembling, fabricating, processing, manufacturing, mining, warehousing or distributing properties commenced after August 28, 1991; and

(iii) Subsequent Improvements in the Areas made to properties used by Revenue Producing Enterprises for any purpose other than those set forth in Part (ii) above which are commenced after August 28, 1991 and which will result in the creation of at least fifty new jobs that provide an average of at least thirty-five hours of employment per week per job may be exempted, in whole

or in part, from assessment and payment of ad valorem taxes of one or more affected political subdivisions; upon the recommendation of the Land Clearance for Redevelopment Authority of the City of St. Louis ("LCRA") with the approval of this Board in accordance with Subsections (3)-(5) below and upon the same terms and conditions as applied to urban redevelopment corporations under Section 353.110, R.S.Mo. (1986); provided, however, that all such tax abatement granted pursuant to this Subsection (2) in either the Initial Area, the Expansion Area or the Additional Expansion Area shall be removed no later than twenty-five (25) years after the designation of the Initial Area as an enterprise zone, and all tax abatement granted pursuant to this Subsection (2) in the Satellite Area shall be removed no later than twenty-five (25) years after the designation of the Satellite Area as an enterprise zone.

(3) All design plans for Subsequent Improvements in the Areas shall be reviewed and approved by the Board of Commissioners of LCRA, or such other entity as may be designated from time to time by resolution of this Board, for the purpose of granting the tax abatement pursuant to Subsection (2)(d) above. In addition to design plans, LCRA may require such other information from a Revenue Producing Enterprise, (including, without limitation, the number of new employees expected to result from the Subsequent Improvements, amount of expected revenue, and type of proposed business operation) as it deems necessary or appropriate in order to determine if and to what extent such tax abatement should be granted for such Subsequent Improvements. LCRA may waive the requirements outlined above for any Revenue Producing Enterprise when it deems such waiver to be in the best interest of the City.

(4) Upon LCRA's review of the design plans and other submitted information regarding the Subsequent Improvements, LCRA shall prepare a recommendation to this Board regarding the extent to which tax abatement should be granted for such Subsequent Improvements, subject to the limitations set forth in Subsection (2) hereof. This Board will consider such recommendation and shall, by resolution, approve, approve as amended, or reject in full said recommendations within sixty (60) days of its receipt thereof; provided, however, that no such resolution shall be approved granting abatement for Subsequent Improvements described in Subsection (2)(d)(iii) of this Section until this Board holds a public hearing for the purpose of obtaining the opinions and suggestions of residents of political subdivisions to be affected by such abatement, notice of the time, location, date and purpose of which shall be sent, by certified mail, to each political subdivision in the area to be affected and published in a newspaper of general circulation in the area to be affected at least twenty days, but not more than thirty days prior to the hearing. Upon the

approval of the recommendation by the Board, the tax abatement for the Subsequent Improvements being considered will take effect in accordance with the recommendation of LCRA, as may be amended by the Board, and with Subsections (2) and (6) hereof. A copy of any such resolution as approves abatement for Subsequent Improvements commenced after August 28, 1991 shall be provided to the Director of the Department of Economic Development of the State of Missouri within thirty calendar days following the adoption of such resolution. If the recommendation is rejected in full by the Board, with no amendment, the Subsequent Improvements will receive only the minimum abatement required by law and as set forth in Subsection (2)(a), (b) and (c) above.

(5) Upon (a) approval of the Subsequent Improvements as outlined above, and (b) the completion of said Subsequent Improvements, the Revenue Producing Enterprise which owns such Subsequent Improvements shall request LCRA, or its designee, to issue a certificate of completion. LCRA, or its designee, shall review the Subsequent Improvements for conformance with the terms and conditions, if any, contained in the final resolution of the Board with respect to the Subsequent Improvements. Upon finding such conformance, LCRA, or its designee, shall issue a certificate of completion to the Revenue Producing Enterprise and to the Assessor of the City of St. Louis, who shall implement the tax abatement provided in the recommendation of LCRA, as amended and approved by the Board, and as provided in Subsection (6) below.

(6) For purposes of implementing tax abatement granted pursuant to Subsections (2)-(5) hereof, all such abatement shall be instituted for the calendar year immediately following the calendar year in which a Certificate of Completion is issued with respect to the Subsequent Improvements and delivered by LCRA, or its designee, to the Revenue Producing Enterprise and the Assessor of the City of St. Louis. Notwithstanding any provision in this Section (6) to the contrary, retroactive tax abatement shall not be granted to any Revenue Producing Enterprise which delays in the application for such abatement pursuant to this Ordinance for more than one year beyond the date upon which its Subsequent Improvements are completed.

In the event application for abatement is so delayed by the Revenue Producing Enterprise, any tax abatement granted by LCRA and the Board shall be instituted for the calendar year immediately following the calendar year in which LCRA and the Board approve said abatement.

(7) When any real property within the Areas which has been granted tax abatement pursuant to this Section Four changes ownership, the tax abatement

shall continue in full force and effect for any Subsequent Improvements made by the previous owner so long as the property continues to be used as a Revenue Producing Enterprise.

(8) The tax abatement provided for herein shall not be construed to permit the abatement of taxes for more than a total of twenty-five (25) years for any property, including but not limited to those which are or have been owned by an urban redevelopment corporation and are or have been enjoying the tax abatement provided by Section 353.110 R.S.Mo.

SECTION FIVE. Except as otherwise restated herein, all provisions of Ordinance No. 62141 are hereby repealed.

SECTION SIX. The passage of this ordinance being deemed for the immediate preservation of the public health, welfare and safety, it is hereby declared to be an emergency measure within the meaning of the Charter of the City of St. Louis, and shall become effective immediately upon its passage and approval by the Mayor.

Exhibit "A"

Beginning at the center line of McCree and Tower Grove, west on Tower Grove to the center line of Vandeventer, southwest on Vandeventer to the center line of McCree, west on McCree to the center line of Kingshighway, north on Kingshighway to the center line of Barnes Hospital Drive, east on Barnes Hospital Drive to the center line of Euclid, north on Euclid to the center line of Parkview Place, east on Parkview Place to the center line of Taylor, continuing east on the same street which, at the intersection of Taylor becomes Duncan, proceeding east on Duncan to the eastern line of Newstead, north on Newstead to the center line of Lindell, east on Lindell to the center line of Sarah, south on Sarah to the center line of Laclede, east on Laclede to the center line of Grand Blvd., south on Grand to the center line of U.S. Highway 64, east on U.S. Highway 64 to the center line of Jefferson, south on Jefferson to the center line of Papin Street, west on Papin to the center line of Ewing, south on Ewing to the center line of Chouteau, west on Chouteau to the center line of Cardinal, south on Cardinal to the center line of Park, west on Park to the center line of Compton, south on Compton to the center line of U.S. Interstate 44, west on U.S. Interstate 44 to the center line of Thirty Ninth, south on Thirty Ninth to the center line of Shaw, west on Shaw to the center line of Tower Grove, north on Tower Grove to the center line of McCree, the point of beginning. Exhibit "B"

Description of the Additional Area

(by Census Tract Block Group)

Tract 1018 BG 1, 6, 7
Tract 1036 BG 1 excluding block 111
Tract 1039 BG 1
Tract 1041 BG 2
Tract 1045 BG 2, 3, 4, 6
Tract 1085 BG 3
Tract 1096 BG 7
Tract 1097 BG 1, 5, 8
Tract 1135 BG 6, 101, 104, 105
Tract 1156 BG 1
Tract 1157 BG 1
Tract 1171 BG 4
Tract 1172 BG 1, 7
Tract 1173 BG 6-7
Tract 1181
Tract 1184
Tract 1185 BG 2-5
Tract 1186
Tract 1191 BG 2
Tract 1201 BG 4-6
Tract 1203 BG 4-5
Tract 1213
Tract 1214
Tract 1222
Tract 1224 BG 1-3
Tract 1235
Tract 1243 BG 5
Tract 1246 BG 1-2
Tract 1255 BG 1 and 3
Tract 1256 BG 1, 3-5
Tract 1257 BG 1-2, 4-8
Tract 1266 BG 1-2, 6
Tract 1267 BG 1, 5

Exhibit "C"

Description of the Satellite Area

(by Census Tract and Block Group)

Tract 1064 BG 1, 5

Tract 1071 BG 2-3

Tract 1074 BG 2-6

Tract 1075 BG 2-5

Exhibit "D"

Description of Enterprise Zone Adjustment

(By Census Tract and Block)

C.T. 1015, b 431 - southern portion

C.T. 1042, b 301 - southern portion

C.T. 1085, b 208-214, 221, 232

C.T. 1134, b 108

C.T. 1185, b 101, 102

C.B. 1221, b 102-107, b 201, 202 and northern portion of 203

C.T. 1224, b 502-509

C.T. 1255, b 204

C.T. 1266, b 507, 508, 903, 905, 907 and southern portion of 901

C.T. 1267, b 201-205, 227

Legislative History				
1ST READING	REF TO COMM	COMMITTEE	COMM SUB	COMM AMEND
05/08/92	05/08/92	HUDZ		
2ND READING	FLOOR AMEND	FLOOR SUB	PERFECTN	PASSAGE
06/12/92			06/19/92	06/26/92
ORDINANCE	VETOED		VETO OVR	
62647				